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C O N F I D E N T I A L SECTION 01 OF 03 BAGHDAD 002864

STATE PLS PASS TO DEPT OF AGRICULTURE

SIPDIS

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TAGS: [ECON](#) [EAGR](#) [SENV](#) [EAID](#) [PGOV](#) [IZ](#)
SUBJECT: NINEWA - DROUGHT PUSHES AGRICULTURAL SECTOR TO
EDGE OF CRISIS; SUNNIS HARDEST HIT

REF: BAGHDAD 1462

Classified By: Classified by PRT Leader Alex Laskaris for reasons 1.4 (b) and (d).

This is a Ninewa Provincial Reconstruction Team (PRT) message.

¶1. (C) Summary. Ninewa,s farmers are facing the fourth year of a serious drought and need agricultural inputs for next season and basic subsistence until then. Farmers, especially in the Sunni western regions, feel abandoned by the provincial and central governments. Our experience thus far has been that central government programs are under-funded and unresponsive, and provincial government programs simply do not exist. We need to request from the GOI increased funding, for both emergency subsistence and inputs for next season, as well as a re-orientation of programs away from land owners and towards those who work the land. The rehabilitation of the Jazeera irrigation system is one measure that could minimize the impact of drought and bring more acreage under cultivation. End Summary.

Farmers in Crisis

¶2. (SBU) The PRT previously reported that Ninewa farmers were facing a potential catastrophe as they struggled through the fourth year of a drought. (Ref A) Farmers were hopeful that the government could provide assistance to help them get through the year and allow them to get back on a sound financial footing. However, GOI relief has fallen far short of farmer,s needs. The government has proposed a \$167 million program (200 billion Iraqi dinars), but this falls far short of the comprehensive plan needed to carry Ninewa,s farmers through this difficult season. Local farmers are increasingly concerned as they face the prospect of trying to obtain necessary inputs (seed, fertilizer, and fuel for machinery) when most have exhausted their access to cash and are reluctant to approach banks for even more loans. For their part, it is unclear whether banks will even consider extending more credit to farmers who have been unable to pay off loans from the past several years.

Four-Year Drought Worsens

¶3. (U) On May 5, 2008, the Minister of Water Resources declared a drought. No rain has fallen since then, and Ninewa received only about 25 percent of the rain it would expect over the past year. The lack of rain has compounded the difficult situation in major storage reservoirs that were already low due to reduced rainfall over the past several years. Regions in Ninewa that have either depended fully or partially on irrigation are facing the prospect of limited availability because inflows to the Tigris are 55 percent

below normal. The water situation in northern Ninewa is grim.

¶4. (U) Farmers from the Al-Jazira irrigation project (in the northwestern Rabi, ya region of Tal Afar district) have told us that the flow of water through the system was irregular throughout the spring, and they complain that the canal system is showing signs of wear and tear and needs long-deferred maintenance. (Note: Stages I and II of Al-Jazira cover about 150,000 dunams, approximately 94,240 acres. Half is irrigated with linear sprinklers (stage I) and half through traditional flood irrigation (stage II). End Note.) Conversations with local government officials have shown that the combination of electricity shortages and overdue maintenance at the critical Bardiyah pump station on Lake Mosul may adversely impact the system's capacity to move water out to farmers. Furthermore, the Ministry of Water Resources has allocated only 10 cu. M of water per second for the critical months of September and October, which is only enough for Stage I.

Input Uncertainty: Seeds, Fertilizer, Fuel

¶5. (SBU) Farmers also face uncertainty regarding seeds, fertilizer, and fuel for machinery. Farmers generally draw seed from GOI silos based on the amount of seed they deposited after the preceding harvest. However, since farmers did not harvest any crop in the spring, it is unclear whether there will be enough seed in domestic silos. The Director-General (DG) for Agriculture estimated that Ninewa

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alone will need more than 75,000 metric tons of wheat seed and 85,000 metric tons of barley, and admitted that Ninewa's stocks will fall short. However, he is confident that he will be able to obtain sufficient seed, either from neighboring provinces or from the Ministry. It is, however, unclear as to what steps the Ministry has actually taken to procure needed seeds.

¶6. (U) Farmers have reported that in the recent past, they have received less than 50 percent of the seed they need, and have been forced to buy the rest on the open market at their own expense. In addition to concerns over availability of seeds, farmers have complained about the decreasing quality of seeds, commenting that they are receiving increasing percentages of &dirty8, i.e. uncleaned, seed that contains higher percentages of weeds or lower quality seeds. Farmers desperately need high-quality, drought resistant seed, but have received none. Farmers have also told us that they often receive only half the fuel and fertilizer that they need, forcing them to buy the balance from the black market.

¶7. (U) The availability of credit is a key concern for Ninewa farmers. Many are already heavily in debt for loans from previous years, and some have told us that they will not go further into debt. As noted in reftel, a government-sponsored credit program would go a long way to calm Ninewa farmers' concerns.

Drought Relief Program Inadequate

¶8. (U) The GOI drought relief program is less than it might appear. Although the program promises \$167 million (200 billion ID), it also covers purchase of seed wheat and barley for this year, purchase of feed barley for animal herders, and compensation of rice farmers affected by this year's ban on rice farming in some areas. The program is also highly bureaucratic, requiring that applications be approved by multiple government committees and seems to be focused mainly on land-owners, rather than at farmers who actually work the land. Many farmers work under long-standing traditional agreements with absentee landlords or by renting government

land. It is still unclear whether these farmers will be covered. The local DG of Agriculture told the PRT that he should have some initial feedback on the progress of applications by the end of August.

18. (U) Only farmers in high- and medium-rainfall areas will be eligible to request compensation, excluding those from the southern areas of Ninewa (Sinjar and al-Hadr districts). The program will compensate farmers for their seed and fertilizer expenses from last year, basically allowing them to cover last year's loans without providing any ready cash for this year's planting or for family survival. Animal herders will receive some relief in the form of (an as of yet undetermined amount of) government-provided animal feed. Given the failure of this year's crops, many farmers are just as concerned with feeding their families as with farming.

Winning Hearts and Minds

19. (C) Farmers, especially in the hard-hit western region, frequently say they feel abandoned by the government. Without a chance to put in another harvest, the viability of the province's 75,000 farming families may be at risk. By extending a hand to Ninewa's farmers, the federal and provincial governments could achieve two important goals: revitalizing Ninewa's critical agriculture sector and undercutting the insurgency's message that the government does not care for the Sunnis of Ninewa.

110. (U) A well-funded program could win wide-scale support for the GOI at an affordable price. Key elements should include:

--Credit: Expanding on the current drought relief program, the GOI should forgive agricultural loans at the state-owned Ag Bank, rather than simply reimbursing farmers for expenses, and offer special, low-interest loans to help farmers cover this year's expenses. This would serve the dual purpose of relieving farm family debt and liquidating bad loans held by the state-owned Ag Bank.

--Inputs: Provide sufficient seed, fertilizer, and fuel to ensure that Ninewa's farmers can grow and harvest a crop. In the past, farmers have received de facto guarantees from

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the DG of Agriculture, based on acreage farmed, that allowed them to borrow enough from the government-owned Ag Bank to cover seed and fertilizer and received vouchers that allowed them to purchase fuel at a discounted price. This year, however, a grant program would be of much greater assistance to farmers reeling from four years of drought.

--Emergency aid: Many farmers are facing difficulty just surviving. The GOI drought relief program should be re-oriented to provide wide-scale relief in the form of cash payments to those actually farming so they can survive until the next harvest.

Comment

111. (C) The central and provincial governments, lack of concern for the rural Sunni population of Ninewa is troubling, both for the humanitarian impact of the current drought as well as for the COIN implications. One of Al Qaida's primary propaganda points is that the government does not care about the Sunni population. Without tangible change in current policies, we cannot make the case with Sunni interlocutors that that their provincial government is attentive to the needs of the Sunni population. A well-funded and executed drought relief program could help us salvage the credibility of at least the central government.
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